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Governor, attorney general to push gambling restrictions

PHILLIP RAWLS **Associated Press**

MONTGOMERY, Ala. - A plan by the Republican governor and attorney general to wipe out electronic bingo games and Birmingham's new sweepstakes games is drawing criticism from members of both political parties, with one Democratic senator questioning if it's an attempt to protect Mississippi casinos from competition.

"Maybe we need to have some hearings on it," Senate President Pro Tem Lowell Barron, D-Fyffe, said.

At a news conference Tuesday, Gov. Bob Riley and Attorney General Troy King said they will try to curb gambling by asking the Legislature to ban electronic bingo machines and sweepstakes games operated by gambling businesses.

"We are asking the Legislature to close the loopholes, end the shams and stop illegal gambling in Alabama once and for all," Riley said.

Their announcement brought criticism from Riley's Republican primary opponent for governor. Former Chief Justice Roy Moore said Riley had done nothing prior to this to stop gambling. "This is nothing but politics," Moore said.

Moore said he wrote a Supreme Court advisory opinion, signed by three of the other eight justices in 2001, that made it clear some of the gambling now operated in Alabama is unconstitutional. He said passing new legislation is unnecessary to curb gambling.

"We need only to enforce the law," he said in a phone interview.

Riley's spokesman, Jeff Emerson, said, "Having only four Supreme Court justices sign an advisory opinion doesn't mean anything. If it did, we wouldn't have the problems we have with these machines."

The governor and attorney general are proposing a constitutional amendment that would ban electronic bingo machines now found at the dog tracks in Macon and Greene counties and at the White Hall bingo hall in Lowndes County, and prohibit a gambling business from operating a sweepstakes like the one at the Birmingham dog track. It would also clarify Alabama's gambling laws by prohibiting games where the outcome is determined in a material degree by chance.

Riley said the proposed constitutional amendment would still allow traditional paper bingo and dog track operations. To take effect, it would have to be approved by the Legislature and in a statewide referendum.

King and Riley said they also will push legislation to increase the financial penalties for illegal gambling. Current penalties are so low that they don't pose an adequate deterrent, King said.

Riley and King decided to propose the legislation after the expanding electronic bingo operations in Macon, Greene and Lowndes counties and a judge's recent ruling that the new sweepstakes machines at the Birmingham dog track are allowed because of a loophole in Alabama's gambling laws.

Milton McGregor, who operates the dog tracks in Birmingham and Macon County, said he has been saying since 1999 that some Mississippi casinos were funding the fight against gambling in Alabama, and congressional hearings have verified that. McGregor said he still believes that's the case.

"If Riley's proposal were to pass, they'd have no competition in Alabama because we'd be out of business," he said.

Emerson, Riley's spokesman, said any claim that people with gambling interests in other states are behind the legislative proposal "is ludicrous" and that Riley has a long history of opposing gambling.

Sen. Pat Lindsey, vice chairman of the Senate committee, said he hadn't seen Riley's and King's legislation, but he expects it to

Case 2:05-cr-00119-MEF-CSC Document 245-7 Filed 03/17/2006 Page 2 of 2 have a hard time passing the Legislature. Lindsey, D-Butler, questioned the timing of the legislation, with both King and Riley running for new terms this year.

Rep. Johnny Mack Morrow, chairman of the House committee, said he hasn't seen the legislation, but doubts if he would support it.

"If a business invested millions of dollars based on a law that's already on the books, is it right for the state to take the law away after the investment has been made?" Morrow, D-Red Bay, said.

Barron said he expects the legislation to get close scrutiny because of ties between Riley and Washington lobbyists Jack Abramoff and Mike Scanlon, who have pleaded guilty to conspiring to pay off public officials. Scanlon was Riley's congressional press secretary in 1997 before Scanlon got in the lobbying business.

Abramoff's and Scanlon's lobbying clients included the Mississippi Band of Choctaw Indians, which operates two casinos in Philadelphia, Miss., that draw heavily from Alabama. Abramoff and Scanlon worked to keep down competition.

In 2002, Scanlon's Capitol Campaign Strategies donated \$500,000 to the Republican Governors Association. The RGA then transferred huge sums to the Republican National State Elections Committee, which gave more than \$2.5 million to Riley's successful campaign for governor. The RGA said in October none of the money from Scanlon's company went to Riley's campaign.

Riley got a \$1,000 campaign contribution from Abramoff and his wife in Riley's 2000 congressional campaign. After Abramoff recently agreed to plead guilty, Riley donated \$1,000 to charity to make up for the donation.

"Gov. Riley took Abramoff money, and Abramoff's plan was to stop any gambling outside Mississippi for the Mississippi gambling casinos. I'd hope this doesn't tie into Abramoff's plan," Barron said.

In 1999 and 2000, Americans for Tax Reform received \$1.15 million from the Mississippi Choctaws and then sent it to groups fighting former Gov. Don Siegelman's lottery proposal and legislation to expand gambling at dog tracks.

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